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Senate committee moves Mental Health Parity

Legislation to close the gap between mental and physical health insurance coverage moves to Senate floor

LANSING – Michigan moved closer to joining 39 other states with equal coverage for mental health illnesses Wednesday after the Senate Health Policy Committee approved Senate Bills 229 and 230.

The legislation, introduced by Sen. Beverly S. Hammerstrom, R-Temperance, seeks to end the discrimination of mental illness under health insurance coverage by requiring health insurance providers that cover such conditions do so at the same levels as physical illnesses.

Wednesday's hearing began with testimony from Patrick Babcock, former director of the Michigan Department of Mental Health. Babcock also served as co-chair of the governor's Mental Health Commission.

"In my role as former director for the Michigan Department of Mental Health, I witnessed the controversy and misinformation about parity legislation for over twenty years," Babcock said. "The passage of Senate Bill 229 and Senate Bill 230 will go a long way to providing access to mental health services for Michigan residents whose health insurance provides unequal coverage for the treatment of mental illness."

Babcock pointed out to committee members that, according to a U.S. Department of Health and Human Services report, in the last two years the number of states that have adopted parity laws has increased from 35 to 39, including at least 26 states that have adopted comprehensive laws.

Hammerstrom, who has championed efforts to enact mental health parity legislation throughout her legislative career, believes Michigan is behind the rest of the nation when it comes to ending discrimination in how insurance policies cover mental and physical illnesses.

“Michigan is one of only 11 states without some form of mental health parity in statute,” Hammerstrom said. “Many opponents of this legislation believe enacting mental health parity will increase the cost of health insurance. The statistics simply do not support this belief.”

The committee also heard testimony from Suzanne E. Santel-Fenner, vice president of the Depression and Bipolar Support Alliance Metro Detroit (DBSA). Santel-Fenner shared her personal struggles with the inequity in her insurance coverage since being diagnosed with bipolar disorder.

“If I fell over right now and had a heart attack, my insurance would cover 80 percent of the bill and I would have to pay 20 percent,” Santel-Fenner said. “If I need treatment or hospitalization for my organic brain disorder, my insurance will only cover 50 percent of the bill, leaving me and my family owing the remaining 50 percent. My insurance allows a maximum lifetime coverage of \$30,000 for mental health services, compared to a lifetime maximum coverage of \$5 million for any physical illness. Those numbers speak volumes.”

At the end of Wednesday’s hearing, Hammerstrom, chair of the committee, thanked committee members for helping her in passing this legislation and moving the issue forward. She also thanked the many people who have shared their personal stories throughout the years in helping bring to light the severe gap that exists in insurance coverage for individuals seeking mental health treatment compared to those who receive treatment for physical ailments.

SBs 229 and 230 now await consideration before the full Senate.

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